

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Appellants: MacLean, et al.

Group Art Unit: 3688

Serial No.: 09/818,400

Examiner: Daniel Lastra

Filed: March 27, 2001

Confirmation No.: 2793

For: **APPARATUS AND METHOD OF FACILITATING THE EXCHANGE  
OF POINTS BETWEEN SELECTED ENTITIES**

**VIA ELECTRONIC FILING**

Commissioner of Patents  
P.O. Box 1450  
Alexandria, VA 2233-1450

**PRE-APPEAL BRIEF REQUEST FOR REVIEW**

Sir:

In response to the final Office Action, dated June 11, 2010, in the above-referenced U.S. patent application, the applicants hereby request review of the final Office Action. No amendments are being filed with this request. Accompanying this request is a Notice of Appeal, Petition for Extension of Time, and associated Fees. The Director is hereby authorized to charge any additional fees that may be required by this submission to our Deposit Account No. 03-3415.

The review is requested for the reasons stated on the attached sheets (No more than five (5) pages attached).

I certify that this correspondence is being transmitted via the Patent Electronic Filing System (EFS) to the United States Patent and Trademark Office on **November 12, 2010**.

Date of Deposit

Mark Montague

Attorney

Signature

November 12, 2010

Date of Signature

**The Commissioner is hereby authorized to charge any additional fees that may be required, or credit any overpayment to Account No. 03-3415.**

## **REASONS FOR REQUESTING REVIEW OF FINAL REJECTION**

### **I. Introduction**

In the final Office Action dated June 11, 2010, claims 1-4, 13-14 and 21-38 were rejected under 35 U.S.C. 102(e) as being anticipated by Postrel (U.S. Pat. 6,594,640). Claims 1-4, 13-14 and 21-38 also were rejected under 35 U.S.C. 102(e) as being anticipated by Lee et al. ("Lee") (U.S. Publ. 2001/0054006). As discussed below, neither Postrel nor Lee anticipates the claims.

### **II. Applicants' Invention**

In representative independent claim 1, a first points issuer issues "first points" and a second points issuer issues "second points", and a customer sets a first number of "first points" to be sold. The first points issuer sets the point withdrawal rate of the first points and the second points issuer sets the deposit rate of the second points. The withdrawal and deposit rates are indicative of the monetary value of the first and second points, respectively. A second number of the second points is determined based upon the point withdrawal rate of the first points issuer, the deposit rate of the second points issuer and the first number of the first points. The first number of the first points from the first point issuer is exchanged for the second number of the second points of the second points issuer.

### **III. The Cited Postrel Reference**

Postrel discloses a reward points redemption system that allows a user to trade points that have been accumulated in 3<sup>rd</sup> party awards programs into a single "reward exchange account" administered by the Postrel system (col. 6, lines 13-52). Trading of points from an awards program into the user's reward exchange account is implemented by providing monetary payment to the reward programs from which points have been redeemed (col. 6, lines 40-47).

The Postrel system then allows the user to redeem those points in the reward exchange account for purchasable items (col. 7, lines 1-41; Fig. 7). The user visits, via the trading server's website, the web site of one or more merchants and identifies "items to be acquired from one or several merchants 30" (col. 7, lines 6-10; step 700 Fig. 7). The user elects to pay for the selected items with points within the user's reward exchange account (step 702), at which time the user is redirected from the merchant server back to the trading server (step 704) so that the trading

server can assess whether the user has an account (step 706) and, if so, to assess whether the user has sufficient points in his/her account to purchase the selected items (step 708) (col. 7, lines 10-19).

If the user does not have sufficient points, the user is afforded the opportunity to trade additional points from any of the user's rewards programs into the user's reward exchange account (i.e., repeat the first part of the process, described above) (step 712 (to repeat the process of Fig. 6); col. 7, lines 19-25). If the user has sufficient points, the Postrel system instructs the merchant to deliver to the user the selected item and the user's reward exchange account is decreased by the number of points "corresponding to the purchased item" and the trading server computer "conveys consideration to the merchant computer 30 equivalent to the cost of the item by means well known in the art of electronic commerce (e.g., by a preexisting account, credit card, etc.)" (steps 714, 716, 718 Fig. 7; col. 7, lines 25-37).

Postrel, in col. 7, lines 37-41, further states:

In the alternative, the consideration may be a direct transfer of points to an account associated with the merchant. The merchant then completes the transaction at step 720, for example by delivering the purchased item.

Hence, the Postrel patent discloses that rather than paying the merchant with money, Postrel's trading server may provide the merchant itself with points so that the merchant may, at a future date, redeem those points for something of value.

#### **IV. Postrel Does Not Disclose:**

- (1) "the second points issuer setting the deposit rate of the second points";
- (2) "determining a second number of the second points based upon the point withdrawal rate of the first points issuer, the deposit rate of the second points issuer and the first number of the first points"; and
- (3) "exchanging the first number of the first points from the first point issuer to the second points issuer."

Postrel lacks any teaching of setting by a points issuer a rate at which points are deposited into that point issuer's awards program. The "withdrawal rate" of claim 1 is a rate that applies to points that are redeemed from an awards program, and the "deposit rate" is a rate that applies to points that are deposited into an awards program.

In Postrel, each identified rate is for the redemption of points from a program. Hence, Postrel lacks a "deposit rate." It is noted that the payment of merchant with points, discussed at

col. 7, lines 33-41, pertains to providing the merchant with points from Postrel's reward exchange account, not points from another loyalty/award program. Moreover, a merchant is not a "second points issuer" and, thus, Postrel lacks any discussion of a deposit rate and, further, lacks any discussion of a second points issuer setting the deposit rate of the second points.

Also, since there is no discussion of a deposit rate, Postrel also lacks any discussion that can be applicable to the claim 1 feature "determining a second number of the second points based upon the point withdrawal rate of the first points issuer, the deposit rate of the second points issuer and the first number of the first points."

Finally, Postrel does not disclose the claim 1 feature "exchanging the first number of the first points from the first point issuer to the second points issuer" since only points from an award program are traded into Postrel's system's "reward exchange account" and there is no discussion of any other type of trading or exchanging of points. The Postrel discussion in col. 11, line 60 to col. 12, line 8, referenced by the examiner, pertains to a user using mileage rewards to pay for on-board entertainment and there is no transfer of points from one of the user's rewards programs to another of the user's rewards program.

## **V. The Cited Lee Reference**

Lee is directed to a points trading service/system that includes a server 24 (Fig. 2) that carries out Lee's trading processes and that communicates (e.g., via the Internet) with customer computers 22 and also that communicates with "member shops" computers 28 (§§0033, 0034). Member shops provide customers with points based on customer purchases or usage of goods or services from those member shops (§0004).

Lee's trading system first collects information about a customer's points that have been accumulated by the customer by contacting each of the member shops with which the customer has an account and stores the collected information in a database within the trading system (§0035). A user of Lee's trading system (i.e., a customer), after logging in (§0036), is provided with information about each of the customer's member shops accounts including the name of each member shop, the number of points accumulated for each account ("Holding Points"), and the "Sell" and "Buy" exchange rates for each account (Fig. 4; §0037).

§0037 states: "The selling exchange rate is a cash point which the customer gets when selling points of a member shop ... [and] the buying exchange rate is a cash point required for

buying a point ...” The table provided to the customer further includes “trade request space 410” (Fig. 4) for enabling the customer to identify which points of which member shop accounts to sell and which points of which member shop accounts to buy (§0038). After selecting what to buy and sell, the customer selects the confirmation button to commence trading (§0039).

§0040 explains the trading process:

“Among the registered trade request information, the transaction of points the user wants to sell is carried out when another customer wants to buy the points. That is, when another customer requests to buy the points, the transaction processing unit 244 receives the request for buying the points from the customer through the web server 254, checks whether or not points for sale corresponding to the buying request exist in the transaction database 246 and when it is checked that points for sale satisfying the buying request exist, the transaction is processed. Next, the transaction processing unit 244 updates the customer database 242 and the transaction database 246 according to the result of the transaction processing, and sends the results of buying request processing to the member shop of the points.” (emphasis added)

Hence, a transaction (i.e., purchase or sale) is carried out when two customers have matching requirements. Trading therefore is achieved strictly between customers and, except for simply notifying the member shops of the trades, does not at all involve the member shops with the purchase and/or sale of points.

#### **VI. Lee does not disclose:**

- (1) “the first points issuer setting the point withdrawal rate of the first points and the second points issuer setting the deposit rate of the second points”; and
- (2) “exchanging the first number of the first points from the first point issuer to the second points issuer,” as recited in claim 1.

Lee simply lacks any disclosure of setting rates by a points issuer (i.e., “member shops”). Instead, Lee implements trades between customers themselves and there is no disclosure that the member shops set the selling or buying exchange rates.

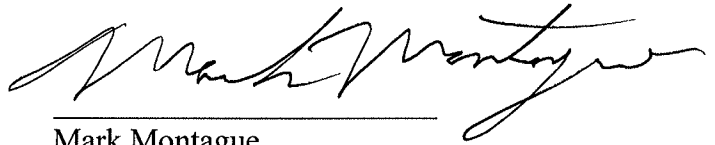
In the Office Action, the Examiner referred to §0042-0043 and Figs. 4-5 of Lee to support the Examiner’s position that Lee discloses the feature (1) identified above. (OA, p. 25, lines 8-12). These paragraphs/figures in Lee disclose exchange rates, but there is no discussion that the rates are set by the member shops (i.e., points issuers). Reference also is made to §0037 of Lee.

In connection with feature (2) of claim 1 identified above, Lee implements trades between customers themselves, not between points issuers. On this note, if Lee did enable for

the exchange of points from one points issuer to another points issuer, then the entire purpose of Lee would be obviated – that is, there would be no reason to match up customers with one another. Accordingly Lee does not disclose either feature (1) or (2) identified above.

In view of the foregoing, the rejection of the claims should be withdrawn.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Mark Montague", written over a horizontal line.

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